

868012/19/05

Revised

CITY OF RIVERSIDE
HUMAN RESOURCES DEPARTMENT
CLASSIFICATION SPECIFICATION

TITLE: **UTILITIES ENERGY RISK MANAGER**

DEFINITION

Under general direction, to lead the energy risk management activities for the public Utilities Department; to record and process transactions and the related risk management activities, including valuations and risk measurements; to define system requirements and assure the systems function efficiently to meet trading and risk management requirements; to administer limits and controls for power supply activities within policy parameters; to report regularly to management regarding transacting activities and risk positions; and to do related work as required.

REPORTS TO: Utilities Manager/Finance & Administration

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the Utilities Manager/Finance & Administration. Serves as a member of various teams including the Risk Management Team. Works closely with others in the Power Resources Department.

EXAMPLES OF DUTIES

Typical duties may include, but are not limited to, the following:

- Develop and implement control processes and workflow; administer limits and controls for power supply activities within departmental policy parameters.
- Produce daily portfolio valuation.
- Measure risk within the portfolio daily.
- Evaluate portfolio profitability and segment profitability; measure performance with the appropriate weight to risk taken in achieving benefits.
- Measure and assess market and credit risk.
- Participate in new product review.
- Assure completeness in data gathering and transaction recoding; assure that transactions are confirmed with counter parties; monitor data integrity and flow from trading to back office transaction execution.
- Work within public Utilities to identify and manage risks and develop products and services that meet organizational needs while satisfying the risk tolerance of the organization.
- Use quantitative methodologies for portfolio valuation and risk measurement.

QUALIFICATIONS

Knowledge of:

- Power and energy business
- Trading systems and trading floor activities.

- Marketing and sales projections.
- Revenues and cost structure in the utility industry including rates and regulations.
- Financial and risk management instruments.
- Derivative instrument structures, including options and their applications to an energy trading operation.
- Internal controls and best practices.
- Quantitative tools and methodologies, including being conversant with personal computer tools.
- Computer models and cost analysis.

Ability to:

- Communicate effectively using strong interpersonal skills coupled with maturity and motivation.
- Manage and lead projects and participate on various department teams.
- Produce a daily position report on activities and in the power supply program.
- Serve as the in-house expert on financial products in pricing and structuring of physical contracts with embedded financial features.
- Ensure that the Public Utilities Department receives fair value for any embedded structures in a physical contract.
- Provide financial and physical market pricing expertise when evaluating the feasibility of developing and offering structures products and services.
- Ensure all risks have been identified and can be valued for new transactions.
- Review all new products and transactions to ensure that the risk and economics of such transaction are consistent with City policy.
- Continuously monitor for breakdowns in segregation of duties especially in light of potential changes in personnel, organizational structure, and information systems.
- Calculate the estimated financial exposure of Riverside Public Utility's energy commodity portfolio by applying management approved risk measurements and valuation standards.
- Recommend portfolio hedging strategies to approval.
- Validate risk measurement models through back testing.
- Calibrate instrument valuation models against market data and other measures.
- Provide daily back up of risk books and records and plan for business continuity.
- Independently monitor and report the risk taking and management activities of the organization using the Position Report.
- Work independently and in small groups.
- Perform calculations and analysis.
- Prepare concise written reports, make oral presentations, and work cooperatively with others.

Education and Experience:

Any combination of experience and education that would likely provide the required knowledge and abilities is

qualifying. A typical way to obtain the knowledge and abilities would be:

Education: Equivalent to a Bachelor's Degree from an accredited college or university with major work in finance, economics, statistics, engineering, or related field. A Master's Degree in a quantitative field such as finance, operations research, or economics is highly desirable.

Experience: At least five years of experience in trading/marketing with a minimum of two years of experience in financial risk management, investment risk strategies, and/or utility pricing or rates.

MEDICAL CATEGORY: Group 1

NECESSARY SPECIAL REQUIREMENT

Possession of an appropriate, valid class "C" California Motor Vehicle Operator's License.

CAREER ADVANCEMENT OPPORTUNITIES

FROM: Utilities Energy Risk Manager

TO: Utilities Manager/Finance & Administration